

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2544 – SB 2523

January 28, 2010

SUMMARY OF BILL: Creates the offense of “super speeding” as driving a motor vehicle in excess of the speed limit at a speed of 75 miles per hour or more on any two-lane highway or 85 miles per hour or more on any public road or highway. A violation is classified as a Class B misdemeanor punishable by a \$200 fine only. All proceeds from the fines shall be deposited in the Trauma System Fund created by the Trauma Center Funding Act of 2007.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$3,762,000/Trauma System Fund

Decrease State Revenue - \$313,100/General Fund

Increase Local Revenue – Net Impact - \$181,500

Assumptions:

- The Department of Safety (DOS) estimates the number of convictions to be 29,300 per year statewide.
- According to DOS, the average fine under current law is \$15 per violation.
- Twenty-five percent will not pay fines due to indigence.
- Five percent of fine revenue is retained by local government as commission.
- Fine revenue (under current law) retained by local government is estimated to be \$16,500 per year ($29,300 \times \$15 \times 75\% \times 5\% = \$16,481$).
- Fine revenue (under current law) remitted to the state is estimated to be \$313,100 per year ($29,300 \times \$15 \times 75\% \times 95\% = \$313,144$).
- Under current law, 100 percent of the fine revenue remitted to the state is deposited to the General Fund. Therefore, the decrease of state revenue to the General Fund is estimated to be \$313,100 per year.
- The number of offenders is expected to decline due to a deterrent effect from increased fines. It is estimated that the number of offenders will decline by approximately 10 percent. This will result in approximately 26,400 convictions ($29,300 \times 90\%$).
- Fine revenue (under this bill) retained by local government is estimated to be \$198,000 per year ($26,400 \times \$200 \times 75\% \times 5\% = \$198,000$).
- The net increase to local government revenue is estimated to be \$181,500 per year ($\$198,000 - \$16,500 = \$181,500$).

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- Fine revenue (under this bill) remitted to the state is estimated to be \$3,762,000 per year ($26,400 \times \$200 \times 75\% \times 95\% = \$3,762,000$).
- Under this bill, 100 percent of the fine revenue remitted to the state shall be deposited to the Trauma System Fund. Therefore, the increase of state revenue allocated to the Trauma System Fund is estimated to be \$3,762,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/jaw